

SHB 1255 - S COMM AMD

By Committee on Government Operations & Elections

ADOPTED 04/12/2007

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 42.23.030 and 2006 c 121 s 1 are each amended to read
4 as follows:

5 No municipal officer shall be beneficially interested, directly or
6 indirectly, in any contract which may be made by, through or under the
7 supervision of such officer, in whole or in part, or which may be made
8 for the benefit of his or her office, or accept, directly or
9 indirectly, any compensation, gratuity or reward in connection with
10 such contract from any other person beneficially interested therein.
11 This section shall not apply in the following cases:

12 (1) The furnishing of electrical, water or other utility services
13 by a municipality engaged in the business of furnishing such services,
14 at the same rates and on the same terms as are available to the public
15 generally;

16 (2) The designation of public depositaries for municipal funds;

17 (3) The publication of legal notices required by law to be
18 published by any municipality, upon competitive bidding or at rates not
19 higher than prescribed by law for members of the general public;

20 (4) The designation of a school director as clerk or as both clerk
21 and purchasing agent of a school district;

22 (5) The employment of any person by a municipality for unskilled
23 day labor at wages not exceeding two hundred dollars in any calendar
24 month. The exception provided in this subsection does not apply to a
25 county with a population of one hundred twenty-five thousand or more,
26 a city with a population of more than one thousand five hundred, an
27 irrigation district encompassing more than fifty thousand acres, or a
28 first class school district;

29 (6)(a) The letting of any other contract in which the total amount

1 received under the contract or contracts by the municipal officer or
2 the municipal officer's business does not exceed one thousand five
3 hundred dollars in any calendar month.

4 (b) However, in the case of a particular officer of a second class
5 city or town, or a noncharter optional code city, or a member of any
6 county fair board in a county which has not established a county
7 purchasing department pursuant to RCW 36.32.240, the total amount of
8 such contract or contracts authorized in this subsection (6) may exceed
9 one thousand five hundred dollars in any calendar month but shall not
10 exceed eighteen thousand dollars in any calendar year.

11 (c)(i) In the case of a particular officer of a rural public
12 hospital district, as defined in RCW 70.44.460, the total amount of
13 such contract or contracts authorized in this subsection (6) may exceed
14 one thousand five hundred dollars in any calendar month, but shall not
15 exceed twenty-four thousand dollars in any calendar year.

16 (ii) At the beginning of each calendar year, beginning with the
17 2006 calendar year, the legislative authority of the rural public
18 hospital district shall increase the calendar year limitation described
19 in this subsection (6)(c) by an amount equal to the dollar amount for
20 the previous calendar year multiplied by the change in the consumer
21 price index as of the close of the twelve-month period ending December
22 31st of that previous calendar year. If the new dollar amount
23 established under this subsection is not a multiple of ten dollars, the
24 increase shall be rounded to the next lowest multiple of ten dollars.
25 As used in this subsection, "consumer price index" means the consumer
26 price index compiled by the bureau of labor statistics, United States
27 department of labor for the state of Washington. If the bureau of
28 labor statistics develops more than one consumer price index for areas
29 within the state, the index covering the greatest number of people,
30 covering areas exclusively within the boundaries of the state, and
31 including all items shall be used.

32 (d) The exceptions provided in this subsection (6) do not apply to:

33 (i) A sale or lease by the municipality as the seller or lessor~~((-~~
34 ~~The exceptions provided in this subsection (6) also do not apply to))~~;

35 (ii) The letting of any contract by a county with a population of
36 one hundred twenty-five thousand or more, a city with a population of
37 ten thousand or more, or an irrigation district encompassing more than
38 fifty thousand acres; or

1 (iii) Contracts for legal services, except for reimbursement of
2 expenditures.

3 (e) The municipality shall maintain a list of all contracts that
4 are awarded under this subsection (6). The list must be made available
5 for public inspection and copying;

6 (7) The leasing by a port district as lessor of port district
7 property to a municipal officer or to a contracting party in which a
8 municipal officer may be beneficially interested, if in addition to all
9 other legal requirements, a board of three disinterested appraisers and
10 the superior court in the county where the property is situated finds
11 that all terms and conditions of such lease are fair to the port
12 district and are in the public interest. The appraisers must be
13 appointed from members of the American Institute of Real Estate
14 Appraisers by the presiding judge of the superior court;

15 (8) The letting of any employment contract for the driving of a
16 school bus in a second class school district if the terms of such
17 contract are commensurate with the pay plan or collective bargaining
18 agreement operating in the district;

19 (9) The letting of an employment contract as a substitute teacher
20 or substitute educational aide to an officer of a second class school
21 district that has two hundred or fewer full-time equivalent students,
22 if the terms of the contract are commensurate with the pay plan or
23 collective bargaining agreement operating in the district and the board
24 of directors has found, consistent with the written policy under RCW
25 28A.330.240, that there is a shortage of substitute teachers in the
26 school district;

27 (10) The letting of any employment contract to the spouse of an
28 officer of a school district, when such contract is solely for
29 employment as a substitute teacher for the school district. This
30 exception applies only if the terms of the contract are commensurate
31 with the pay plan or collective bargaining agreement applicable to all
32 district employees and the board of directors has found, consistent
33 with the written policy under RCW 28A.330.240, that there is a shortage
34 of substitute teachers in the school district;

35 (11) The letting of any employment contract to the spouse of an
36 officer of a school district if the spouse was under contract as a
37 certificated or classified employee with the school district before the
38 date in which the officer assumes office and the terms of the contract

1 are commensurate with the pay plan or collective bargaining agreement
2 operating in the district. However, in a second class school district
3 that has less than two hundred full-time equivalent students enrolled
4 at the start of the school year as defined in RCW 28A.150.040, the
5 spouse is not required to be under contract as a certificated or
6 classified employee before the date on which the officer assumes
7 office;

8 (12) The authorization, approval, or ratification of any employment
9 contract with the spouse of a public hospital district commissioner if:
10 (a) The spouse was employed by the public hospital district before the
11 date the commissioner was initially elected; (b) the terms of the
12 contract are commensurate with the pay plan or collective bargaining
13 agreement operating in the district for similar employees; (c) the
14 interest of the commissioner is disclosed to the board of commissioners
15 and noted in the official minutes or similar records of the public
16 hospital district prior to the letting or continuation of the contract;
17 and (d) and the commissioner does not vote on the authorization,
18 approval, or ratification of the contract or any conditions in the
19 contract.

20 A municipal officer may not vote in the authorization, approval, or
21 ratification of a contract in which he or she is beneficially
22 interested even though one of the exemptions allowing the awarding of
23 such a contract applies. The interest of the municipal officer must be
24 disclosed to the governing body of the municipality and noted in the
25 official minutes or similar records of the municipality before the
26 formation of the contract."

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27 On page 1, line 2 of the title, after "contracts;" strike the
28 remainder of the title and insert "and amending RCW 42.23.030."

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